16 August 2022

The Manager
ASX Market Announcements Office
Australian Securities Exchange

Dear Manager

SEEK Limited – FY22 Full Year Results Announcement

In accordance with the Listing Rules, I enclose SEEK's FY22 Full Year Results Announcement for immediate release to the market.

Yours faithfully,

R. Agnew

Rachel Agnew
Company Secretary

Authorised for release by the Board of Directors of SEEK

For further information please contact:

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ASX Announcement
16 August 2022

SEEK delivers revenue growth alongside ongoing investment

Highlights

- Record job ad volumes in ANZ and volume growth across other key regions
- Increased depth product adoption
- Market and brand metrics stable across ANZ and Asia
- Platform Unification progressing well and scope expanded
- Investment in other strategic priorities continued
- Increase of 36% in value of investment in the SEEK Growth Fund since inception

FY22 Financial Results

		FY22	FY21	Growth %
Continuing Operations	Revenue	**A$1,116.5m**	A$760.3m	+47%
	EBITDA	**A$509.1m**	A$332.0m	+53%
	Reported NPAT (excl. significant items)	**A$245.5m**	A$135.3m	+81%
Discontinued Operations	Reported NPAT (excl. significant items)	**A$14.1m**	A$5.5m	+156%
Total Operations	Reported NPAT	**A$168.8m**	A$752.2m	(78%)

EMPLOYMENT MARKETPLACES

- ***SEEK ANZ: revenue up 53% and EBITDA up 60% vs pcp***
- ***SEEK Asia: revenue up 37% and EBITDA up 9% vs pcp (constant currency)***

SEEK CEO and Managing Director Ian Narev said:

"In all our Asia Pacific markets, ongoing economic recovery drove high demand for labour, which in turn led to strong job ad volumes and increased depth adoption. Our markets continue to be highly competitive. However, SEEK maintained its market leadership positions, with stable placement metrics throughout Asia Pacific. Increased investment in Asia led to improved candidate metrics.

Across ANZ, high levels of hiring activity resulted in record job ad volumes of 325k in March 2022. Yield also increased through higher prices, customer mix and increased depth adoption. Our previous investment in the contract and pricing structure prepared us well for these opportunities.

In Asia, volumes grew across all markets despite some ongoing lockdowns. Yield was impacted by hirers purchasing larger packages resulting in higher volume-based discounts. This was largely offset by an increase in depth adoption with growth in branded ads and strong take up of the new premium ad. Bundling of ad products also made it easier for hirers to purchase depth products. We have *undertaken significant investment to support our ambitions for Asia, including a large-scale rebranding campaign and increased capability across product and technology, sales, strategy and service.*

We continued to invest across a number of strategic areas. Platform Unification is progressing to plan, and the scope has been expanded to include an enterprise-wide Enterprise Resource Planning (ERP) system replacement. The unified customer platform is progressing well towards completion by the end of FY24. Corporate systems (ERP and Customer Relationship Management platforms) will be rolled out during FY23. As a result of the increased scope, and to a lesser extent increases in the cost of highly-skilled technology resources, our estimate for the incremental costs of the program over three years has increased to approximately A$180m. During this period, we also launched enhanced Artificial Intelligence capabilities across search and recommendations, expanded Certsy verifications and released new products in ANZ including Company Profiles and Talent Search Connect.

Across Latin America, results were mixed. Conditions in Mexico continued to improve, enabling OCC to grow revenue and EBITDA. Market conditions in Brazil remain challenging and we are in the process of transitioning to the new business model, which is still in its early testing stages.

In China, Zhaopin online revenue grew 2%, impacted by significant COVID-19 restrictions in several regions. Adjacent services revenue decreased 14%. Excluding business process outsourcing, adjacent services revenue increased 5%. EBITDA fell by 50% due to significant investment in marketing and product. Competition remains intense, so ongoing investment is required."

SEEK GROWTH FUND

Portfolio value increased 36% to A$2,052m

- Based on audited valuation provided by the Fund's Manager as at 30 June 2022
- Recent public market valuation declines did not yet flow through to private markets
- Directors of the Fund Trustee adjusted the portfolio value downwards by 18% to reflect current market conditions

Continued revenue growth across the portfolio

- ESV portfolio delivered look-through revenue growth of 71% vs pcp
- OES grew revenue by 14% vs pcp and EBITDA declined by 16% vs pcp due to ongoing high levels of investment

SEEK continues to consolidate the Fund at 30 June 2022

- SEEK will deconsolidate the Fund when the Fund has drawn down and deployed all its committed capital[1]. Deconsolidation is likely to occur during FY23
- Upon deconsolidation, SEEK's share of fair value gain/loss will be recognised in SEEK's accounts as a non-cash item[2]

Ian Narev said:

"The portfolio valuation uplift reflects new capital deployed into the Fund and an increase in the value of some seeded assets. The valuation increases have been driven by recent funding rounds within the HR Software as a Service (HR SaaS) theme. In recent months there has been an increasing disconnect between private market valuations and the declines observed in public market valuations of technology businesses. Given this, the directors of the Fund Trustee adjusted the portfolio valuation downwards. We can expect volatility in valuations to remain in the near to medium term. We are pleased with the quality of the assets and remain focused on long term growth of the Fund."

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[1] The Fund has committed capital of A$460m and as at 30 June 2022 had drawn down A$295m. As at 16 August 2022 the Fund has drawn down A$370m.

[2] At the time of deconsolidation SEEK will record: (i) a gain on the sale of seeded assets; (ii) SEEK's 84.5% share of any fair value gain or loss based on any valuation movement since inception of the Fund; and iii) will reverse any previously booked fair value uplift on non-SEEK owned interests in the Fund (30 June 2022: A$84.0m). These fair value gain/loss items will be recognised as non-cash items.

CAPITAL MANAGEMENT

The Board determined a FY22 final dividend of 21 cents per share, fully franked. The total FY22 dividends were 44 cents per share, fully franked. The final dividend will be paid on 4 October 2022 with a record date of 8 September 2022. The final dividend is in line with SEEK's capital management framework and reflects a payout of 85% of Cash NPAT less Capex.

In December 2021, SEEK refinanced its debt facilities, extending the average tenor of debt with the next maturity due on 30 November 2024. SEEK has total debt facilities of A$1.8b and A$739m of cash and undrawn facilities at 30 June 2022.

SEEK's CFO Kate Koch commented:

"SEEK generates strong cashflows and our balance sheet position supports our long-term investment plans including Platform Unification."

OUTLOOK | SEEK's FY23 GUIDANCE

FY23 guidance (excluding significant items) for SEEK (excluding the SEEK Growth Fund)

- Revenue in the range of A$1.25bn to A$1.30bn
- EBITDA in the range of A$560m to A$590m
- NPAT in the range of A$250m to A$270m

FY23 guidance (excluding significant items) for the SEEK Growth Fund

- SEEK's share of NPAT of approximately A$5m

Further detail on SEEK's FY23 guidance including key assumptions is provided in SEEK's FY22 results presentation.

Ian Narev concluded:

"Economic and labour market conditions across our key markets remain positive, although some leading indicators look slightly weaker. Our revenue guidance for FY23 assumes a continuation of largely positive conditions. We have assumed a low risk of job market volatility from monetary policy, geopolitical change and the pandemic. If this assumption changes, revenue could fall below guidance. Our guidance also assumes a continuation of the accelerated investment from FY22, in particular the Platform Unification program. Spend for the project will peak in FY23 as we ensure that our systems are sufficiently flexible, resilient and scalable to drive future growth."

Authorised for release by SEEK's Board of Directors.

For further information or to arrange an interview please contact:

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Non-IFRS Financial Information
SEEK's results are reported under International Financial Reporting Standards (IFRS). This document also makes reference to the non-IFRS measure "EBITDA". This measure is used internally by management to assess the performance of our business, our associates and joint ventures, make decisions on the allocation of our resources and assess operational management.

"EBITDA" is earnings before interest, tax, depreciation and amortisation and excluding share of net profits of associates and jointly controlled entities accounted for using the equity method, dividend income and amortisation of share-based payments and other long-term incentive schemes.

Non-IFRS financial information is calculated based on underlying IFRS financial information extracted from SEEK's financial statements. Non-IFRS measures have not been subject to audit or review.